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**BILL REQUEST - CODE REVISER'S OFFICE**

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BILL REQ. #: Z-0728.2/08 2nd draft

ATTY/TYPIST: BP:cro

BRIEF DESCRIPTION: Concerning vehicle certificates of title.

1       AN ACT Relating to vehicle certificates of title; and adding a new  
2 chapter to Title 46 RCW.

3       BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4       NEW SECTION.   **Sec. 1.**   SHORT TITLE.   This act may be known and  
5 cited as the uniform certificate of title act.

6       NEW SECTION.   **Sec. 2.**   DEFINITIONS.   (1) As used in this chapter:

7       (a) "Buyer" means a person that buys or contracts to buy goods.

8       (b) "Buyer in ordinary course of business" means a person that buys  
9 goods in good faith, without knowledge that the sale violates the  
10 rights of another person in the goods, and in ordinary course from a  
11 person, other than a pawnbroker, in the business of selling goods of  
12 that kind. A person buys goods in ordinary course if the sale comports  
13 with the usual or customary practices in the kind of business in which  
14 the seller is engaged or with the seller's own usual or customary  
15 practices. A buyer in ordinary course of business may buy for cash, by  
16 exchange of other property, or on secured or unsecured credit, and may  
17 acquire goods under a preexisting contract for sale. Only a buyer that  
18 takes possession of the goods or has a right to recover the goods from

1 the seller under chapter 62A.2 RCW may be a buyer in ordinary course of  
2 business. "Buyer in ordinary course of business" does not include a  
3 person that acquires goods in a transfer in bulk or as security for or  
4 in total or partial satisfaction of a money debt. A buyer in ordinary  
5 course of business does not lose that status solely because a  
6 certificate of title was not executed to the buyer.

7 (c) "Cancel," with respect to a certificate of title or a  
8 certificate of origin, means to make the certificate ineffective.

9 (d) "Certificate of origin" means a record created by a  
10 manufacturer or importer as the manufacturer's or importer's proof of  
11 identity of a vehicle.

12 (e) "Certificate of title," except in the phrases "certificate of  
13 title created by a governmental agency of any state" and "certificate  
14 of title created by a governmental agency of any jurisdiction," means  
15 a record, created by the department and designated as a certificate of  
16 title by the department, that is evidence of ownership of a vehicle.

17 (f) "Create" means to bring a record into existence by making or  
18 authorizing the record.

19 (g) "Deliver" means voluntarily to give possession of a record or  
20 to transmit it, by any reasonable means, properly addressed and with  
21 the cost of delivery provided.

22 (h) "Department" means the department of licensing.

23 (i) "Electronic" means relating to technology having electrical,  
24 digital, magnetic, wireless, optical, electromagnetic, or similar  
25 capabilities.

26 (j) "Electronic certificate of origin" means a certificate of  
27 origin consisting of information that is stored solely in an electronic  
28 medium and is retrievable in perceivable form.

29 (k) "Electronic certificate of title" means a certificate of title  
30 consisting of information that is stored solely in an electronic medium  
31 and is retrievable in perceivable form.

32 (l) "Execute" means to sign and deliver a record on, attached to,  
33 accompanying, or logically associated with a certificate of title or  
34 certificate of origin to transfer ownership of the vehicle covered by  
35 the certificate.

36 (m) "Good faith" means honesty in fact and the observance of  
37 reasonable commercial standards of fair dealing.

1 (n) "Importer" means a person authorized by a manufacturer to  
2 bring into and distribute in the United States new vehicles  
3 manufactured outside the United States.

4 (o) "Lessee in ordinary course of business" means a person that  
5 leases goods in good faith, without knowledge that the lease violates  
6 the rights of another person, and in ordinary course of business from  
7 a person, other than a pawnbroker, in the business of selling or  
8 leasing goods of that kind. A person leases in ordinary course if the  
9 lease to the person comports with the usual or customary practices in  
10 the kind of business in which the lessor is engaged or with the  
11 lessor's own usual and customary practices. A lessee in ordinary  
12 course of business may lease for cash, by exchange of other property,  
13 or on secured or unsecured credit, and may acquire goods or a  
14 certificate of title covering goods under a preexisting lease contract.  
15 Only a lessee that takes possession of the goods or has a right to  
16 recover the goods from the lessor under chapter 62A.2A RCW may be a  
17 lessee in ordinary course of business. A person that acquires goods in  
18 bulk or as security for or in total or partial satisfaction of a money  
19 debt is not a lessee in ordinary course of business.

20 (p) "Lien creditor" means:

21 (i) A creditor that has acquired a lien on the property involved by  
22 attachment, levy, or the like;

23 (ii) An assignee for the benefit of creditors from the time of  
24 assignment;

25 (iii) A trustee in bankruptcy from the date of the filing of the  
26 petition; or

27 (iv) A receiver in equity from the time of appointment.

28 (q) "Manufacturer" means a person that manufactures, fabricates,  
29 assembles, or completes new vehicles.

30 (r) "Owner" means a person that has legal title to a vehicle.

31 (s) "Owner of record" means the owner of a vehicle as indicated in  
32 the files of the department.

33 (t) "Person" means an individual, corporation, business trust,  
34 estate, trust, partnership, limited liability company, association,  
35 joint venture, federally recognized Indian tribe, public corporation,  
36 government, or governmental subdivision, agency, or instrumentality, or  
37 any other legal or commercial entity.

1 (u) "Purchase" means to take by sale, lease, mortgage, pledge,  
2 consensual lien, security interest, gift, or any other voluntary  
3 transaction that creates an interest in a vehicle.

4 (v) "Purchaser" means a person that takes by purchase.

5 (w) "Record" means information that is inscribed on a tangible  
6 medium or that is stored in an electronic or other medium and is  
7 retrievable in perceivable form.

8 (x) "Secured party" means:

9 (i) A person in whose favor a security interest is created or  
10 provided for under a security agreement, whether or not any obligation  
11 to be secured is outstanding;

12 (ii) A person that is a consignor under chapter 62A.9A RCW;

13 (iii) A person to which accounts, chattel paper, payment  
14 intangibles, or promissory notes have been sold;

15 (iv) A trustee, indenture trustee, agent, collateral agent, or  
16 other representative in whose favor a security interest is created or  
17 provided for; or

18 (v) A person that holds a security interest arising under RCW  
19 62A.2-401, 62A.2-711(3), or 62A.2A-508(5).

20 (y) "Secured party of record" means the secured party whose name is  
21 provided as the name of the secured party or a representative of the  
22 secured party in a security-interest statement that has been received  
23 by the department or, if more than one are indicated, the first  
24 indicated in the files of the department.

25 (z) "Security interest" means an interest in a vehicle which  
26 secures payment or performance of an obligation. "Security interest"  
27 includes any interest of a consignor in a vehicle in a transaction that  
28 is subject to chapter 62A.9A RCW. "Security interest" does not include  
29 the special property interest of a buyer of a vehicle on identification  
30 of that vehicle to a contract for sale under RCW 62A.2-401, but a buyer  
31 may also acquire a security interest by complying with chapter 62A.9A  
32 RCW. Except as otherwise provided in RCW 62A.2-505, the right of a  
33 seller or lessor of a vehicle under chapter 62A.2 or 62A.2A RCW to  
34 retain or acquire possession of the vehicle is not a security interest,  
35 but a seller or lessor may also acquire a security interest by  
36 complying with chapter 62A.9A RCW. The retention or reservation of  
37 title by a seller of a vehicle notwithstanding shipment or delivery to  
38 the buyer under RCW 62A.2-401 is limited in effect to a reservation of

1 a security interest. Whether a transaction in the form of a lease  
2 creates a security interest is determined by law other than this  
3 chapter.

4 (aa) "Security-interest statement" means:

5 (i) A record created by a secured party which indicates a security  
6 interest; or

7 (ii) An application for which the department is required to create  
8 a certificate of title, if the application indicates a security  
9 interest.

10 (bb) "Sign" means, with present intent to authenticate or adopt a  
11 record, to:

12 (i) Make or adopt a tangible symbol; or

13 (ii) Attach to or logically associate with the record an electronic  
14 sound, symbol, or process.

15 (cc) "State" means a state of the United States, the District of  
16 Columbia, Puerto Rico, the United States Virgin Islands, a federally  
17 recognized Indian tribe, or any territory or insular possession subject  
18 to the jurisdiction of the United States.

19 (dd) "Termination statement" means a record created by a secured  
20 party pursuant to section 27 of this act which:

21 (i) Identifies the security-interest statement to which it relates;  
22 and

23 (ii) Indicates that it is a termination statement or that the  
24 identified security-interest statement is not effective.

25 (ee) "Title brand" means a designation of previous damage, use, or  
26 condition that any law requires to be indicated on a certificate of  
27 title or a certificate of origin created by a governmental agency of  
28 any jurisdiction.

29 (ff) "Transfer" means to convey, voluntarily or involuntarily, an  
30 interest in a vehicle.

31 (gg) "Transferee" means a person that takes by transfer.

32 (hh) "Vehicle" means goods that are any type of motorized, wheeled  
33 device of a type in, upon, or by which an individual or property is  
34 customarily transported on a road or highway, or a commercial,  
35 recreational, travel, or other trailer customarily transported on a  
36 road or highway. "Vehicle" does not include:

37 (i) An item of specialized mobile equipment not designed primarily  
38 for transportation of individuals or property on a road or highway;

(ii) An implement of husbandry;

(iii) A wheelchair or similar device designed for use by an individual having a physical impairment; or

(iv) A manufactured home.

(ii) "Written certificate of origin" means a certificate of origin consisting of information inscribed on a tangible medium.

(jj) "Written certificate of title" means a certificate of title consisting of information inscribed on a tangible medium.

(2) The following definitions and terms also apply to this chapter:

(a) "Agreement," RCW 62A.1-201(3);

(b) "Collateral," RCW 62A.9A-102(a)(12);

(c) "Debtor," RCW 62A.9A-102(a)(28);

(d) "Lease," RCW 62A.2A-103(1)(j);

(e) "Lessee," RCW 62A.2A-103(1)(n);

(f) "Lessor," RCW 62A.2A-103(1)(p);

(g) "Manufactured home," RCW 62A.9A-102(a)(53);

(h) "Merchant," RCW 62A.2-104(1);

(i) "Notice; Knowledge," RCW 62A.1-201(25);

(j) "Representative," RCW 62A.1-201(35);

(k) "Sale," RCW 62A.2-106(1);

(l) "Security agreement," RCW 62A.9A-102(a)(73);

(m) "Seller," RCW 62A.2-103(1)(d);

(n) "Send," RCW 62A.1-201(38);

(o) "Value," RCW 62A.1-201(44).

**NEW SECTION.** **Sec. 3.** SUPPLEMENTAL PRINCIPLES OF LAW AND EQUITY. Unless displaced by this chapter, the principles of law and equity supplement its provisions.

**NEW SECTION.** **Sec. 4.** LAW GOVERNING VEHICLE COVERED BY CERTIFICATE OF TITLE OR CERTIFICATE OF ORIGIN. (1) In this section, "certificate of title" means a certificate of title created by a governmental agency of any state.

(2) The local law of the state under whose certificate of title a vehicle is covered governs all issues relating to the certificate of title, from the time the vehicle becomes covered by the certificate of title until the vehicle ceases to be covered by the certificate of

1 title, even if no other relationship exists between the state and the  
2 vehicle or its owner.

3 (3) A vehicle becomes covered by a certificate of title created in  
4 this state when an application for a certificate of title and the fee  
5 are received by the department in accordance with this chapter. A  
6 vehicle becomes covered by a certificate of title in another state when  
7 an application for a certificate of title and the fee are received in  
8 that state pursuant to the law of that state.

9 (4) A vehicle ceases to be covered by a certificate of title at the  
10 earlier of the time the certificate of title ceases to be effective  
11 under the law of the state pursuant to which it was created or the time  
12 the vehicle becomes covered subsequently by another certificate of  
13 title.

14 (5) If a vehicle is not covered by a certificate of title but a  
15 certificate of origin has been created for the vehicle:

16 (a) If the parties to the certificate of origin have chosen the law  
17 of a jurisdiction, the law of that jurisdiction applies to the  
18 certificate of origin, even if there is no other relationship between  
19 that jurisdiction and the vehicle or its owner; and

20 (b) In the absence of an agreement effective under (a) of this  
21 subsection, the rights and obligations of the parties are determined by  
22 the law that would apply under this state's choice-of-law principles.

23 NEW SECTION. **Sec. 5.** EXCLUSIONS. Unless the vehicle is covered  
24 by a certificate of title, this chapter does not apply to a vehicle  
25 owned by the United States, a state, or a foreign government, or a  
26 political subdivision of any of them.

27 NEW SECTION. **Sec. 6.** VEHICLE IDENTIFICATION NUMBER, MAKE, AND  
28 MODEL YEAR. For a vehicle covered by a certificate of title, the  
29 department shall indicate in its files the vehicle identification  
30 number, make, and model year, if any, assigned by its chassis  
31 manufacturer or importer. If a vehicle identification number, make, or  
32 model year has not been assigned, the department shall assign a vehicle  
33 identification number, make, or model year and indicate the assignment  
34 in its files.



1        NEW SECTION.    **Sec. 7.**    EXECUTION OF CERTIFICATE OF ORIGIN.    (1) If  
2 a manufacturer or importer creates or is authorized or required to  
3 create a certificate of origin for a vehicle, upon transfer of  
4 ownership of the vehicle, the manufacturer or importer shall execute a  
5 certificate of origin to the transferee or deliver a signed certificate  
6 of origin to the department. Each succeeding transferor shall execute  
7 to the next transferee or sign and deliver to the department all  
8 certificates of origin covering the vehicle which are known to the  
9 transferor.

10        (2) If a certificate of title created by a governmental agency of  
11 any jurisdiction is not delivered to the buyer and a written  
12 certificate of origin or equivalent evidence of ownership is required  
13 by the department to obtain a certificate of title, a buyer may require  
14 that the buyer's transferor execute to the buyer a written certificate  
15 of origin or provide equivalent evidence of ownership sufficient to  
16 satisfy the requirements of the department.

17        NEW SECTION.    **Sec. 8.**    CANCELLATION AND REPLACEMENT OF CERTIFICATE  
18 OF ORIGIN.    (1) If a written certificate of origin is created to  
19 replace an electronic certificate of origin, the electronic certificate  
20 of origin is canceled and replaced by the written certificate of  
21 origin.

22        (2) If an electronic certificate of origin is created to replace a  
23 written certificate of origin, the written certificate of origin must  
24 be canceled.

25        NEW SECTION.    **Sec. 9.**    APPLICATION FOR CERTIFICATE OF TITLE.    (1)  
26 Except as otherwise provided in sections 21 and 22 of this act, only  
27 the owner of a vehicle may apply for a certificate of title covering  
28 the vehicle.

29        (2) An application for a certificate of title must be signed by the  
30 applicant and contain:

31        (a) The applicant's name, street address, and, if different,  
32 address for receiving first-class mail delivered by the United States  
33 postal service;

34        (b) The vehicle identification number;

35        (c) A description of the vehicle including, as required by the  
36 department, the make, model, model year, and body type;

1 (d) An indication of all security interests in the vehicle known to  
2 the applicant, including the name and mailing address of the secured  
3 party or a representative of the secured party and, if the application  
4 includes a direction to terminate a security-interest statement, the  
5 information required for sufficiency of a security-interest statement  
6 under section 25(1) of this act and the secured party's or its  
7 representative's name and address for receiving communications;

8 (e) Any title brand known to the applicant and, if known, the  
9 jurisdiction whose governmental agency created the title brand;

10 (f) If law other than this chapter requires that an odometer  
11 reading be provided by the transferor upon transfer of ownership of the  
12 vehicle, a signed record disclosing the vehicle's odometer reading; and

13 (g) If the application is made in connection with a transfer of  
14 ownership, the transferor's name, physical address and, if different,  
15 address for receiving first-class mail delivered by the United States  
16 postal service, the sales price if any, and the date of the transfer.

17 (3) A certificate of title created in another jurisdiction and  
18 submitted in connection with an application is part of the application.

19 (4) In addition to the information required in subsection (2) of  
20 this section, an application for a certificate of title may contain  
21 electronic communication addresses of the owner and the transferor.

22 (5) Except as otherwise provided in section 21, 22, or 23 of this  
23 act, if an application for a certificate of title includes an  
24 indication of a transfer of ownership, the application must be  
25 accompanied by all existing certificates of origin and any certificate  
26 of title created by a governmental agency of any jurisdiction covering  
27 the vehicle, which have been executed to the applicant or are known to  
28 the applicant. Except as otherwise provided in section 23 of this act,  
29 if an application includes a direction to terminate a security-interest  
30 statement, the application must be accompanied by a termination  
31 statement.

32 (6) Except as otherwise provided in section 24 of this act, if an  
33 application for a certificate of title does not include an indication  
34 of a transfer of ownership or a direction to terminate a security-  
35 interest statement, the application must be accompanied by all existing  
36 certificates of origin and any certificate of title created by a  
37 governmental agency of any jurisdiction covering the vehicle, which are

1 known to the applicant and evidencing the applicant as owner of the  
2 vehicle.

3 (7) If the applicant does not know of any existing certificate of  
4 origin or certificate of title created by a governmental agency of any  
5 jurisdiction covering the vehicle, the applicant shall include in the  
6 application for a certificate of title all existing records and other  
7 information of the vehicle's ownership known to the applicant.  
8 Information submitted under this subsection is part of the application  
9 for the certificate of title and must be indicated in the files of the  
10 department.

11 (8) The department may require that an application for a  
12 certificate of title or a security-interest statement be accompanied by  
13 payment of all taxes and fees payable by the applicant under the law of  
14 this state in connection with the acquisition or use of a vehicle or  
15 evidence of payment of the tax or fee.

16 NEW SECTION. Sec. 10. CREATION AND CANCELLATION OF CERTIFICATE OF  
17 TITLE. (1) Unless an application for a certificate of title is  
18 rejected under subsection (3) of this section, the department shall  
19 create a certificate of title upon receipt of an application that  
20 complies with section 9 of this act and payment of all taxes and fees.

21 (2) Upon request of the secured party of record, the department  
22 shall create a written certificate of title or, if the department is  
23 authorized to do so, an electronic certificate of title. If no  
24 security interest is indicated in the files of the department, the  
25 owner of record may have the department create a written certificate of  
26 title or, if the department is authorized to do so, an electronic  
27 certificate of title. If no request is made by an owner of record or  
28 secured party, the department may create a written certificate of title  
29 or, if authorized to do so, an electronic certificate of title.

30 (3) The department may reject an application for a certificate of  
31 title only if:

- 32 (a) The application does not comply with section 9 of this act;  
33 (b) There is a reasonable basis for concluding that the application  
34 is fraudulent or would facilitate a fraudulent or illegal act; or  
35 (c) The application does not comply with the law of this state  
36 other than this chapter.

(4) If the department has created a certificate of title, it may cancel the certificate of title only if it could have rejected the application under subsection (3) of this section or is required to cancel the certificate of title under this chapter.

NEW SECTION. **Sec. 11.** CONTENTS OF CERTIFICATE OF TITLE. (1) A certificate of title must contain:

(a) The date the certificate of title was created;

(b) Except as otherwise provided in section 26(2) of this act, the name and address of any secured party of record and an indication of whether there are additional security interests indicated in the files of the department or on a record created by a governmental agency of any jurisdiction and submitted to the department;

(c) All title brands covering the vehicle, including brands previously indicated on a certificate of origin or certificate of title created by a governmental agency of any jurisdiction, which are known to the department; and

(d) Any other information required by section 9(2) of this act, except the applicant's address.

(2) This chapter does not preclude the department from noting on a certificate the name and address of a secured party that is not a secured party of record.

(3) An indication of a title brand on a certificate of title may consist of an abbreviation, but not a symbol, and must identify the jurisdiction that created the title brand or the jurisdiction that created a certificate of title created by a governmental agency of any jurisdiction that indicated the title brand. If the meaning of a title brand is not easily ascertainable or cannot be accommodated on the certificate of title, the certificate of title may state: "Previously branded in [insert the particular jurisdiction that created the title brand or whose certificate of title previously indicated the title brand]."

(4) If a vehicle was previously registered in a jurisdiction other than a state, the department shall indicate on the certificate of title that the vehicle was registered in that jurisdiction.

(5) A certificate of title must contain a form that the owner may sign in order to execute the certificate.

1        NEW SECTION.    **Sec. 12.**    EFFECT OF POSSESSION OF CERTIFICATE OF  
2    TITLE OR CERTIFICATE OF ORIGIN--JUDICIAL PROCESS.    A certificate of  
3    title created by a governmental agency of any jurisdiction or a  
4    certificate of origin does not by itself provide a means to obtain  
5    possession of a vehicle.    Garnishment, attachment, levy, replevin, or  
6    other judicial process against the certificate of title or a  
7    certificate of origin is not effective to determine possessory rights  
8    with respect to the vehicle.    However, this chapter does not prohibit  
9    enforcement of a security interest in, levy on, or foreclosure of a  
10   statutory or common law lien on a vehicle under the law of this state  
11   other than this chapter.    The absence of an indication of a statutory  
12   or common law lien on a certificate of title does not invalidate the  
13   lien.

14        NEW SECTION.    **Sec. 13.**    OTHER INFORMATION.    (1) The department may  
15   accept a submission of information relating to a vehicle for indication  
16   in the files of the department, even if the requirements for a  
17   certificate of title, an application for a certificate of title, a  
18   security-interest statement, or a termination statement have not been  
19   met.

20        (2) A submission of information under this section, to the extent  
21   practicable, must include the information required by section 9(2) of  
22   this act for an application for a certificate of title.

23        (3) The department may require the submission of information  
24   relating to a vehicle required for payment of taxes and fees for  
25   issuance or renewal of registration.

26        (4) The department may require a person submitting information  
27   under this section to provide a bond in a form and amount determined by  
28   the department.    A bond must provide for indemnification of any secured  
29   party or other interested party against any expense, loss, or damage  
30   resulting from indication of the information in the files of the  
31   department.

32        (5) A submission of information under this section and its  
33   indication in the files of the department is not a certificate of  
34   title, an application for a certificate of title, a security-interest  
35   statement, or a termination statement and does not provide a basis for  
36   transferring or determining ownership of a vehicle or the effectiveness  
37   of a security-interest statement.

1        NEW SECTION.    **Sec. 14.**    MAINTENANCE OF AND ACCESS TO FILES.    (1)

2    For each record relating to a certificate of title submitted to the  
3    department, the department shall:

4        (a) Ascertain or assign the vehicle identification number, make,  
5    and model year of the vehicle to which the record relates pursuant to  
6    section 6 of this act;

7        (b) Indicate in the files of the department the vehicle  
8    identification number, make, and model year of the vehicle to which the  
9    record relates and the information in the record, including the date  
10   and time the record was delivered to the department;

11       (c) Maintain the file for public inspection subject to subsection  
12   (4) of this section; and

13       (d) Index the files of the department so as to be accessible as  
14   required by subsection (2) of this section.

15       (2) The department shall indicate in the files of the department  
16   the information contained in all certificates of title created under  
17   this chapter. The files of the department must be accessible by the  
18   vehicle identification number for the vehicle covered by the  
19   certificate and any other indexing method used by the department.

20       (3) To the extent known to the department, the files of the  
21   department maintained under this section relating to a vehicle must  
22   indicate all title brands and the name or names of any secured party  
23   and claimant to ownership of the vehicle and include stolen property  
24   reports and security-interest statements.

25       (4) Except as otherwise provided by the law of this state other  
26   than this chapter, the information required under section 11 of this  
27   act is a public record. Whether other information in the files of the  
28   department is made available to the public is governed by chapter 42.56  
29   RCW.

30       NEW SECTION.    **Sec. 15.**    DELIVERY OF CERTIFICATE OF TITLE.    (1)

31    Upon creation of a certificate of title, the department shall promptly  
32    deliver a written certificate of title, or a record evidencing an  
33    electronic certificate of title, to any secured party of record at the  
34    address shown on the security-interest statement submitted by the  
35    secured party of record. Unless previously provided to the owner of  
36    record, the department shall promptly deliver a record evidencing the  
37    certificate of title to the owner of record at the address indicated in

1 the files of the department. If no secured party is indicated in the  
2 files of the department, the written certificate of title or record  
3 evidencing the electronic certificate of title must be delivered to the  
4 owner of record. A record evidencing an electronic certificate of  
5 title may be delivered to a mailing address or, if indicated in the  
6 files of the department, an electronic communication address.

7 (2) Within a reasonable time not to exceed fifteen business days  
8 after receipt of a request that a written certificate of title be  
9 created and delivered pursuant to subsection (1) of this section, the  
10 department shall create the certificate and deliver it to the person  
11 making the request.

12 (3) If a written certificate of title is created, any electronic  
13 certificate of title is canceled and replaced by the written  
14 certificate of title. The cancellation must be indicated in the files  
15 of the department with an indication of the date and time of  
16 cancellation.

17 (4) Before an electronic certificate of title is created, any  
18 certificate of title must be surrendered. If an electronic certificate  
19 of title is created, any existing written certificate of title that has  
20 been surrendered to the department must be destroyed or otherwise  
21 canceled, with an indication in the files of the department of the date  
22 and time of destruction or other cancellation. If the written  
23 certificate of title being canceled is not destroyed, the cancellation  
24 must be indicated on the face of the written certificate of title.

25 NEW SECTION. **Sec. 16.** TRANSFER. (1) Upon sale of a vehicle  
26 covered by a certificate of title, a person authorized to execute the  
27 certificate of title, as promptly as practicable and in compliance with  
28 this chapter and the law of this state other than this chapter, shall  
29 execute the certificate to the buyer or deliver to the department a  
30 signed certificate of title or a record evidencing execution of an  
31 electronic certificate of title to the buyer. The buyer of a vehicle  
32 covered by a certificate of title has a specifically enforceable right  
33 to require the seller to execute the certificate of title to the buyer  
34 or deliver to the department a signed certificate of title or other  
35 record evidencing the transfer.

36 (2) Execution of a certificate of title created by a governmental  
37 agency of any jurisdiction satisfies subsection (1) of this section.

1 (3) As between the parties to a transfer and their assignees and  
2 successors, a transfer of ownership is not rendered ineffective by a  
3 failure to execute a certificate of title or certificate of origin as  
4 provided in this section. However, except as otherwise provided in  
5 section 18 (2) and (3), 19, 21, or 22 of this act, a transfer of  
6 ownership without execution of a certificate of title or certificate of  
7 origin is not effective as to other persons claiming an interest in the  
8 vehicle.

9 (4) Before an agreement to transfer ownership by an electronic  
10 certificate of title is made or any consideration for the transfer is  
11 paid, and before a record evidencing the transfer is executed to the  
12 transferee or delivered by the transferor to the department, the  
13 transferor shall deliver to the transferee a signed record containing  
14 the information required by section 9(2) of this act, and the  
15 transferee shall deliver to the transferor a signed record  
16 acknowledging receipt of the information. The transferee has a  
17 specifically enforceable right to receive this information before any  
18 consideration is paid. The record delivered to the department must  
19 indicate that these requirements have been met.

20 (5) After execution of the certificate of title and delivery of  
21 possession of the vehicle to the transferee, the transferor is not  
22 liable as owner for any damages resulting from operation of the vehicle  
23 thereafter even if the transferee fails to apply for a new certificate  
24 of title reflecting the transfer.

25 NEW SECTION. **Sec. 17.** NOTICE OF TRANSFER WITHOUT APPLICATION. A  
26 transferee or transferor, in accordance with standards and procedures  
27 established by the department, may deliver a signed record to the  
28 department giving notice of the transfer, to indicate its ownership or  
29 lack of ownership, without filing an application for a certificate of  
30 title. The record may indicate the transfer of ownership between the  
31 transferor and transferee. The record is not a certificate of title  
32 and is not effective as to other persons claiming an interest in the  
33 vehicle. The delivery to the department of the record containing the  
34 notice does not relieve any party of any obligation under section 9 or  
35 16 of this act.



1        NEW SECTION.    **Sec. 18.**    POWER TO TRANSFER.    (1) A purchaser of a  
2        vehicle has the protections afforded by RCW 62A.2-403(1),  
3        62A.2A-304(1), and 62A.2A-305(1).

4        (2) A buyer in ordinary course of business or lessee in ordinary  
5        course of business of a vehicle has the protections afforded by RCW  
6        62A.2-403(2), 62A.2A-304(2), and 62A.2A-305(2), even if the certificate  
7        of title is not executed to the buyer or lessee.

8        (3) A purchase of a leasehold interest is subject to RCW  
9        62A.2A-303.

10       (4) Except as otherwise provided in section 16 of this act, the  
11       rights of other purchasers of vehicles and of lien creditors are  
12       governed by chapters 62A.2, 62A.2A, 62A.7, and 62A.9A RCW.

13       NEW SECTION.    **Sec. 19.**    OTHER TRANSFEREES OF VEHICLE COVERED BY  
14       CERTIFICATE OF TITLE.    (1) Except as otherwise provided in this section  
15       or section 18(2) of this act, a transferee of ownership takes subject  
16       to:

17       (a) A security interest in the vehicle indicated on a certificate  
18       of title; and

19       (b) If the certificate of title contains a statement that the  
20       vehicle is or may be subject to security interests not indicated on the  
21       certificate of title, a security interest not so indicated.

22       (2) If, while a security interest in a vehicle is perfected by any  
23       method under the law of any jurisdiction, the department creates a  
24       certificate of title that does not indicate the vehicle is subject to  
25       the security interest or contain a statement that it may be subject to  
26       security interests not indicated on the certificate, a buyer of the  
27       vehicle, other than a person in the business of selling or leasing  
28       goods of that kind, takes free of the security interest if the buyer:

29       (a) Gives value in good faith, receives possession of the vehicle,  
30       and obtains execution of the certificate of title; and

31       (b) Does not have knowledge of the security interest in the  
32       vehicle.

33       (3) A buyer in ordinary course of business takes free of a security  
34       interest in the vehicle, including a security interest indicated on a  
35       certificate of title, created by the buyer's seller, even if the  
36       security interest is perfected, the buyer knows of its existence, and  
37       the certificate of title was not executed to the buyer.    A lessee in

1 ordinary course of business takes its leasehold interest free of a  
2 security interest in the vehicle, including a security interest  
3 indicated on a certificate of title, created by the lessee's lessor,  
4 even if the security interest is perfected, the lessee knows of its  
5 existence, and the certificate of title was not executed to the lessee.  
6 This subsection does not affect a security interest in a vehicle in the  
7 possession of the secured party under chapter 62A.9A RCW.

8 (4) If, while a security interest in a vehicle is perfected by any  
9 method under the law of any jurisdiction, the department creates a  
10 certificate of title that does not indicate that the vehicle is subject  
11 to the security interest or contain a statement that it may be subject  
12 to security interests not indicated on the certificate of title, the  
13 security interest is subordinate to a conflicting security interest in  
14 the vehicle which is perfected after creation of the certificate of  
15 title and without the conflicting secured party's knowledge of the  
16 security interest.

17 (5) A security interest is indicated on an electronic certificate  
18 of title if it is indicated in the record of the certificate of title  
19 maintained by the department.

20 NEW SECTION. **Sec. 20.** EFFECT OF OMISSION OR INCORRECT  
21 INFORMATION. (1) Except as otherwise provided in this section, a  
22 certificate of title, certificate of origin, security-interest  
23 statement, or other record required or authorized by this chapter is  
24 effective even if it contains incorrect information or does not contain  
25 required information.

26 (2) In addition to any rights provided under section 18 or 19 of  
27 this act, if a certificate of title, certificate of origin, security-  
28 interest statement, or other record required or authorized by this  
29 chapter is seriously misleading because it contains incorrect  
30 information or omits required information, a purchaser of the vehicle  
31 to which the record relates takes free of any interest that would have  
32 been indicated in the record if the correct or omitted information had  
33 been indicated, to the extent that the purchaser gives value in  
34 reasonable reliance on the incorrect information or the absence of the  
35 omitted information.

36 (3) Except as otherwise provided in subsection (4) of this section  
37 or section 25(3) of this act, a description of a vehicle, including the

1 vehicle identification number, in a certificate of title, certificate  
2 of origin, security-interest statement, or other record required or  
3 authorized by this chapter which otherwise satisfies this chapter is  
4 not seriously misleading, even if not specific and accurate, if the  
5 description reasonably identifies the vehicle.

6 (4) With respect to a security interest or other interest indicated  
7 in the files of the department and not indicated on a written  
8 certificate of title, a failure to indicate the information  
9 specifically or accurately is not seriously misleading if a search of  
10 the files of the department using the correct vehicle identification  
11 number or other required information, using the department's standard  
12 search logic, if any, would disclose the security interest or other  
13 interest.

14 NEW SECTION. Sec. 21. TRANSFER BY SECURED PARTY'S TRANSFER  
15 STATEMENT. (1) In this section, "secured party's transfer statement"  
16 means a record signed by the secured party of record stating:

17 (a) That the owner of record has defaulted on an obligation to the  
18 secured party of record;

19 (b) That the secured party of record is exercising or has exercised  
20 postdefault remedies with respect to the vehicle;

21 (c) That, by reason of the exercise, the secured party of record  
22 has the right to transfer the rights of the owner of record;

23 (d) The name and last known mailing address of:

24 (i) The owner of record;

25 (ii) The secured party of record; and

26 (iii) Any other purchaser;

27 (e) Any other information required by section 9(2) of this act; and

28 (f) That the certificate of title is an electronic certificate of  
29 title, or that the secured party does not have possession of the  
30 written certificate of title created in the name of the owner of  
31 record, or that the secured party is delivering the written certificate  
32 of title to the department with the secured party's transfer statement.

33 (2) Completion and delivery to the department of a secured party's  
34 transfer statement, and payment of all applicable taxes and fees,  
35 entitles the secured party to the creation of a certificate of title  
36 showing the secured party of record or other purchaser as the owner of

1 record. Unless the secured party's transfer statement is rejected by  
2 the department for a reason set forth in section 10(3) of this act, the  
3 department shall:

4 (a) Accept the secured party's transfer statement;

5 (b) Amend the files of the department to reflect the transfer;

6 (c) Cancel the certificate of title created in the name of the  
7 owner of record listed in the secured party's transfer statement,  
8 whether or not the certificate of title has been delivered to the  
9 department;

10 (d) Create a new certificate of title indicating the secured party  
11 of record or other purchaser as the vehicle's owner of record; and

12 (e) Deliver the new certificate of title pursuant to section 15 of  
13 this act.

14 (3) The creation of a certificate of title under subsection (2) of  
15 this section is not of itself a disposition of the vehicle and does not  
16 of itself relieve the secured party of its duties under chapter 62A.9A  
17 RCW.

18 NEW SECTION. **Sec. 22.** TRANSFER BY OPERATION OF LAW. (1) In this  
19 section:

20 (a) "By operation of law" means pursuant to a law or judicial order  
21 affecting ownership of a vehicle:

22 (i) On account of death, divorce or other family law proceeding,  
23 merger, consolidation, dissolution, or bankruptcy;

24 (ii) Through the exercise of the rights of a lien creditor or a  
25 person having a statutory or common law lien or other nonconsensual  
26 lien; or

27 (iii) Through other legal processes.

28 (b) "Transfer-by-law statement" means a record signed by a  
29 transferee stating that, by operation of law, the transferee has  
30 acquired or has the right to acquire the ownership interest of the  
31 owner of record and containing:

32 (i) The name and mailing address of the owner of record and the  
33 transferee and the other information required by section 9(2) of this  
34 act;

35 (ii) Documentation sufficient to establish the transferee's  
36 interest or right to acquire the ownership interest of the owner of  
37 record; and

1 (iii) A statement that:  
2 (A) The certificate of title is an electronic certificate of title;  
3 (B) The transferee does not have possession of the written  
4 certificate of title created in the name of the owner of record; or  
5 (C) The transferee is delivering the written certificate of title  
6 to the department with the transfer-by-law statement.  
7 (2) If a transfer-by-law statement is delivered to the department  
8 with all taxes and fees and documentation satisfactory to the  
9 department as to the transferee's ownership interest or right to  
10 acquire the ownership interest of the owner of record, unless it is  
11 rejected by the department for a reason set forth in section 10(3) of  
12 this act, the department shall:  
13 (a) Accept delivery of the transfer-by-law statement;  
14 (b) Promptly send notice to the owner of record and to all persons  
15 indicated in the files of the department as having an interest,  
16 including a security interest, in the vehicle that a transfer-by-law  
17 statement has been delivered to the department;  
18 (c) Amend the files of the department to reflect the transfer;  
19 (d) Cancel the certificate of title created in the name of the  
20 owner of record indicated in the transfer-by-law statement, whether or  
21 not the certificate has been delivered to the department;  
22 (e) Create a new certificate of title, indicating the transferee as  
23 owner of record; and  
24 (f) Deliver the new certificate of title.  
25 (3) This section does not apply to a transfer of an interest in a  
26 vehicle by a secured party under chapter 62A.9A RCW or section 21 of  
27 this act.

28 NEW SECTION. **Sec. 23.** APPLICATION FOR TRANSFER OF OWNERSHIP OR  
29 TERMINATION OF SECURITY-INTEREST STATEMENT WITHOUT CERTIFICATE OF TITLE  
30 OR CERTIFICATE OF ORIGIN. (1) Except as otherwise provided in section  
31 21 or 22 of this act, upon receiving an application that includes an  
32 indication of a transfer of ownership or a direction to terminate a  
33 security-interest statement but is not accompanied by submission of a  
34 signed certificate of title or certificate of origin or, as applicable,  
35 a termination statement pursuant to section 27 of this act, the  
36 department may create a certificate of title or terminate the security-  
37 interest statement under this section only if:

1 (a) All other requirements under sections 9 and 10 of this act are  
2 met;

3 (b) The applicant has provided an affidavit stating facts that  
4 indicate the applicant is entitled to a transfer of ownership or  
5 termination of the effectiveness of a security-interest statement;

6 (c) At least forty-five days before the department creates the  
7 certificate of title, the department has sent notice of the application  
8 to all persons having an interest in the vehicle as indicated in the  
9 files of the department and no objection from any of those persons has  
10 been received by the department; and

11 (d) The applicant submits any other information required by the  
12 department to evidence the applicant's ownership or right to  
13 termination of the security-interest statement, and the department has  
14 no credible information indicating theft, fraud, or any undisclosed or  
15 unsatisfied security interest, lien, or other claim to an interest in  
16 the vehicle.

17 (2) Unless the department determines, by any reasonable method,  
18 that the value of the vehicle is less than three thousand dollars,  
19 before creating a certificate of title, the department may require an  
20 applicant under subsection (1) of this section to post a bond or  
21 provide an equivalent source of indemnity or security. The bond,  
22 indemnity, or other security must be in a form prescribed by the  
23 department and provide for indemnification of any owner, purchaser, or  
24 other claimant for any expense, loss, delay, or damage, including  
25 reasonable attorneys' fees and costs but not consequential damages,  
26 resulting from creation of a certificate of title or termination of a  
27 security-interest statement, but may not exceed twice the value of the  
28 vehicle as determined by the department.

29 (3) If the department has not received a claim for indemnity within  
30 one year after creation of the certificate of title under subsection  
31 (1) of this section, upon request in a form and manner specified by the  
32 department, the department shall release any bond, indemnity, or other  
33 security.

34 (4) The department may indicate in a certificate of title created  
35 under subsection (1) of this section that the certificate of title was  
36 created without submission of a signed certificate of title or  
37 termination statement. If no credible information indicating theft,  
38 fraud, or any undisclosed or unsatisfied security interest, lien, or

1 other claim to an interest in the vehicle has been delivered to the  
2 department within one year after creation of the certificate of title,  
3 upon request in a form and manner specified by the department, the  
4 department shall remove the indication from the certificate of title.

5 NEW SECTION. **Sec. 24.** REPLACEMENT CERTIFICATE OF TITLE. (1) If  
6 a written certificate of title is lost, stolen, mutilated, destroyed,  
7 or otherwise becomes unavailable or illegible, the secured party of  
8 record or, if there is no secured party indicated in the files of the  
9 department, the owner of record may apply for and, by furnishing  
10 information satisfactory to the department, obtain a replacement  
11 certificate of title in the name of the owner of record.

12 (2) An application for a replacement certificate of title must be  
13 submitted in a record signed by the applicant and, except as otherwise  
14 permitted by the department, must comply with section 9 of this act.

15 (3) Unless it has been lost, stolen, or destroyed, or is otherwise  
16 unavailable, the existing written certificate of title must be  
17 submitted to the department with an application for a replacement  
18 certificate of title.

19 (4) A replacement certificate of title created by the department  
20 must comply with section 11 of this act and indicate on the face of the  
21 certificate of title that it is a replacement certificate of title.

22 (5) If a person receiving a replacement certificate of title  
23 subsequently obtains possession of the original written certificate of  
24 title, the person shall promptly destroy the original written  
25 certificate of title.

26 NEW SECTION. **Sec. 25.** EFFECTIVENESS OF SECURITY-INTEREST  
27 STATEMENT. (1) A security-interest statement is sufficient if it  
28 includes the name of the debtor, the name of the secured party or a  
29 representative of the secured party, a description that reasonably  
30 identifies the vehicle and is not seriously misleading under section 20  
31 of this act, and is delivered as follows:

32 (a) If the security-interest statement is indicated on an  
33 application for which the department is required to create a  
34 certificate of title, by the owner; or

35 (b) If the security-interest statement is not indicated on an

1 application for which the department is required to create a  
2 certificate of title, by a person authorized to file an initial  
3 financing statement covering the vehicle pursuant to RCW 62A.9A-509.

4 (2) A security-interest statement that is sufficient under  
5 subsection (1) of this section is effective upon receipt by the  
6 department.

7 (3) Subject to subsections (5) and (6) of this section, a security-  
8 interest statement is not received if the department rejects the  
9 statement pursuant to subsection (5) of this section. The department  
10 may reject a security-interest statement only in the manner specified  
11 in subsection (5) of this section and only if:

12 (a) The record is not delivered by a means authorized by the  
13 department;

14 (b) An amount equal to or greater than the required filing fee is  
15 not tendered with the statement or, if the department elects to notify  
16 the secured party of the filing fee deficiency, within seven days after  
17 the notification has been given;

18 (c) The record does not include the name and mailing address of a  
19 debtor and a secured party or a representative of a secured party;

20 (d) The record does not contain the vehicle identification number;  
21 or

22 (e) The department cannot identify a file of the department,  
23 certificate of title, or application for a certificate of title to  
24 which the security-interest statement relates.

25 (4) The department shall maintain files of the department showing  
26 the date of receipt of each security-interest statement that is not  
27 rejected and shall make this information available on request.

28 (5) To reject a security-interest statement, the department must  
29 send notice of rejection to the person that delivered the statement,  
30 indicating the reasons for the rejection and the date the statement  
31 would have been received had the department not rejected it.

32 (6) If the department does not send notice of rejection under  
33 subsection (5) of this section, the security-interest statement is  
34 received as of the time it was delivered to the department.  
35 Confirmation by the department that the security-interest statement has  
36 been entered in the files of the department is conclusive proof that  
37 receipt has occurred.



(7) If a security-interest statement sufficient under subsection (1) of this section is tendered with the filing fee and the department sends a notice of rejection without indicating a reason set forth in subsection (3) of this section, the security-interest statement is effective as of the business day on which the statement was tendered to the department except as against a purchaser of the vehicle which gives value in reasonable reliance upon the absence of the security-interest statement from the files of the department.

(8) Failure of the department to index a security-interest statement correctly or to indicate the security interest on the certificate of title does not affect the receipt of the security-interest statement.

NEW SECTION. **Sec. 26.** PERFECTION OF SECURITY INTEREST. (1) Except as otherwise provided in subsection (2), (4), or (5) of this section, a security interest in a vehicle may be perfected only by a security-interest statement that is effective under section 25 of this act. The security interest is perfected upon the later of receipt of the security-interest statement under section 25 of this act or attachment of the security interest under RCW 62A.9A-203.

(2) If the department creates a certificate of title naming a lessor, consignor, bailor, or secured party as owner and the interest of the person named as owner is a security interest, the certificate of title serves as a security-interest statement that provides the name of the person as secured party. If the interest of the person named as owner in an application for a certificate of title delivered to the department in accordance with section 9 of this act is a security interest, the application is a security-interest statement that provides the name of the person as secured party. The naming of the person as owner on the application or certificate of title is not of itself a factor in determining whether the interest is a security interest.

(3) If a secured party assigns a perfected security interest in a vehicle, the receipt by the department of a security-interest statement providing the name of the transferee or its representative as secured party is not required in order to continue the perfected status of the security interest against creditors of and transferees from the original debtor. However, a purchaser of a vehicle subject to a

1 security interest which obtains a release from the secured party  
2 indicated in the files of the department or on the certificate of title  
3 takes free of the security interest and of the rights of a transferee  
4 if the transfer is not indicated in the files of the department and on  
5 the certificate of title.

6 (4) This section does not apply to a security interest in a vehicle  
7 created by a person during any period in which the vehicle is inventory  
8 held for sale or lease by the person or is leased by the person as  
9 lessor if the person is in the business of selling goods of that kind.

10 (5) A security interest is perfected to the extent provided in RCW  
11 62A.9A-316(d). A secured party may also perfect a security interest by  
12 taking possession of a vehicle only pursuant to RCW 62A.9A-316(d).

13 NEW SECTION. **Sec. 27.** TERMINATION STATEMENT. (1) A secured party  
14 indicated in the files of the department as having a security interest  
15 in a vehicle shall deliver to the department and, upon the debtor's  
16 request, to the debtor a signed termination statement if:

17 (a) There is no obligation secured by the vehicle subject to the  
18 security interest and no commitment to make an advance, incur an  
19 obligation, or otherwise give value secured by the vehicle; or

20 (b) The debtor did not authorize the filing of the security-  
21 interest statement.

22 (2) A secured party indicated in the files of the department as  
23 having a security interest in a vehicle shall deliver a signed  
24 termination statement to the debtor or the department upon the earlier  
25 of:

26 (a) Thirty days after there is no obligation secured by the vehicle  
27 subject to the security-interest statement and no commitment to make an  
28 advance, incur an obligation, or otherwise give value secured by the  
29 vehicle; or

30 (b) Fourteen days after the secured party receives a signed demand  
31 from an owner and there is no obligation secured by the vehicle subject  
32 to the security interest and no commitment to make an advance, incur an  
33 obligation, or otherwise give value secured by the vehicle.

34 (3) If a written certificate of title has been created and  
35 delivered to a secured party and a termination statement is required  
36 under subsection (1) of this section, the secured party, within the  
37 time provided in subsection (2) of this section, shall deliver the

1 written certificate of title to the debtor or the department with the  
2 termination statement. If the written certificate is lost, stolen,  
3 mutilated, or destroyed, or is otherwise unavailable or illegible, the  
4 secured party shall deliver with the termination statement, within the  
5 time provided in subsection (2) of this section, an application for a  
6 replacement certificate of title meeting the requirements of section 24  
7 of this act.

8 (4) Upon the delivery of a termination statement to the department  
9 pursuant to this section, the security-interest statement and any  
10 indication of the security interest on the certificate of title to  
11 which the termination statement relates ceases to be effective. The  
12 files of the department must indicate the date and time of delivery of  
13 the termination statement to the department.

14 (5) A secured party is liable for damages in the amount of any loss  
15 caused by its failure to comply with this section and for the  
16 reasonable cost of an application for a certificate of title under  
17 section 9 or 24 of this act.

18 NEW SECTION. **Sec. 28.** DUTIES AND OPERATION OF FILING DEPARTMENT.

19 (1) The files of the department must indicate the information provided  
20 in security-interest statements and termination statements received by  
21 the department under section 25 or 27 of this act for at least ten  
22 years after termination of the security-interest statement under  
23 section 27 of this act. The information must be accessible by the  
24 vehicle identification number for the vehicle and any other indexing  
25 methods provided by the department.

26 (2) The department shall send to a person that submits a record to  
27 the department, or submits information that is accepted by the  
28 department, and requests an acknowledgment of the filing or submission,  
29 an acknowledgment showing the vehicle identification number of the  
30 vehicle to which the record or submission relates, the information in  
31 the filed record or submission, and the date and time the record was  
32 received or the submission accepted. A request under this section must  
33 contain the vehicle identification number and be delivered by means  
34 authorized by the department.

35 (3) The department shall send or otherwise make available in a  
36 record the following information to any person that requests it:

1 (a) Whether the files of the department indicate, as of a date and  
2 time specified by the department, but not a date earlier than three  
3 business days before the department received the request, any  
4 certificate of title, security-interest statement, or termination  
5 statement that relates to a vehicle identified by a vehicle  
6 identification number designated in the request; and

7 (b) The name of the owner of record and the effective date of all  
8 security-interest statements and termination statements indicated in  
9 the files of the department.

10 (4) In responding to a request under this section, the department  
11 may communicate the requested information in any medium. However, if  
12 requested, the department shall send the requested information in a  
13 record that is self-authenticating under Washington rule of evidence  
14 902.

15 (5) The department shall comply with this section at the time and  
16 in the manner prescribed by the rules of the department but shall  
17 respond to requests under this section not later than two business days  
18 after the department receives the request.

19 NEW SECTION. Sec. 29. SAVINGS CLAUSE. (1) Except as otherwise  
20 provided in this section, this chapter applies to any transaction,  
21 certificate of title, or record involving a vehicle, even if the  
22 transaction, certificate of title, or record was entered into or  
23 created before the effective date of this act.

24 (2) A transaction, certificate of title, or record that was validly  
25 entered into or created before the effective date of this act and would  
26 be subject to this chapter if it had been entered into or created on or  
27 after the effective date of this chapter, and the rights, duties, and  
28 interests flowing from the transaction, certificate of title, or record  
29 remains valid after the effective date of this act.

30 (3) This chapter does not affect an action or proceeding commenced  
31 before the effective date of this chapter.

32 (4) A security interest that is enforceable immediately before the  
33 effective date of this act and would have priority over the rights of  
34 a person that becomes a lien creditor at that time is a perfected  
35 security interest under this chapter.

36 (5) This chapter does not affect the priority of a security

1 interest in a vehicle if immediately before the effective date of this  
2 act the security interest is enforceable and perfected, and that  
3 priority is established.

4 NEW SECTION. **Sec. 30.** ELECTRONIC SIGNATURES IN GLOBAL AND  
5 NATIONAL COMMERCE ACT. This chapter modifies, limits, and supersedes  
6 the federal electronic signatures in global and national commerce act  
7 (15 U.S.C. Sec. 7001, et seq.) but does not modify, limit, or supersede  
8 15 U.S.C. Sec. 7001(c) or authorize electronic delivery of any of the  
9 notices described in 15 U.S.C. Sec. 7003(b).

10 NEW SECTION. **Sec. 31.** UNIFORMITY OF APPLICATION AND CONSTRUCTION.  
11 In applying and construing this uniform act, consideration must be  
12 given to the need to promote uniformity of the law with respect to its  
13 subject matter among states that enact it.

14 NEW SECTION. **Sec. 32.** CAPTIONS NOT LAW. Captions used in this  
15 act are not any part of the law.

16 NEW SECTION. **Sec. 33.** Sections 1 through 32 of this act  
17 constitute a new chapter in Title 46 RCW.

--- END ---